

DURHAM, NORTH CAROLINA

DURHAM ATHLETIC PARK REDEVELOPMENT

**REQUEST FOR DEVELOPER
QUALIFICATIONS AND PROPOSALS**

DECEMBER 9, 2005

*The Exhibits mentioned in this package are not in electronic form and must be
obtained through the Office of Economic and Employment Development.*

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SUMMARY OF REQUEST FOR DEVELOPER QUALIFICATIONS AND PROPOSALS
THE HISTORIC DURHAM ATHLETIC PARK REDEVELOPMENT

Development Opportunity	The City of Durham is seeking developer and operator qualifications and proposals from qualified developers to augment development and operation of an existing city owned facility/site in Downtown Durham.
The Site	Durham Athletic Park is 5.4 acres located on the corner of Corporation and Morris Streets at 400 Corporation St.
Selection Process	The selection process involves the following: <ol style="list-style-type: none">1. Solicitation of qualifications and proposals from developers2. A voluntary Proposer's Conference3. A review of all proposals by the City of Durham and the Review Committee4. Selection of a developer and/or operator5. Review and approval by the City Manager and City Council6. Finalization of a Development Agreement
Development Schedule	The selected developer and/or operator must have the ability to begin construction by December 2007 and have signed commitments for financing by June 2007.
Development Concept	The redevelopment plans should target transforming the current facility/site into an economic engine for this section of downtown Durham. Plans should include the continued programming by Durham Parks and Recreation of league baseball (youth and adult) and the usage of the facility as a special events venue, hosting signature events (Bull Durham Blues Festival and World Beer Festival) and serving as rental space for community events. The goal is to enhance programming and development opportunities. It would also be highly desirable to capitalize on the history and strength of the nationally known Durham Bulls and the close proximity of their new home, the Bull Durham Athletic Park.
More Information	A voluntary proposer's conference has been scheduled for Dec. 20, 2005, at 10:30am in the City of Durham's Planning Room A. Following this session, a tour will be given of the facility with pertinent City staff. All initial inquiries should be directed to Alice Sharpe, Office of

Economic and Employment Development, City of Durham,
101 City Hall Plaza, Durham, NC, 27701. (919)560-4965,
ext.227. Fax (919)560-4986. Email
alice.sharpe@durhamnc.gov

Final Submission

Final responses to this Request are due on or before 2:00pm
on Feb. 1, 2006. Ten paper copies should be submitted.
Responses on a compact disk are encouraged. Fax and e-
mail transmissions will not be accepted. Final proposals
responding to this request should be directed to:

Alan DeLisle
Director of Economic and Employment Development
City of Durham
101 City Hall Plaza
Durham, NC 27701
(919)560-4965

HISTORIC DURHAM ATHLETIC PARK DEVELOPMENT*

The City of Durham owns and operates the Durham Athletic Park as part of the public park system. The DAP is currently used for youth and adult league baseball; special events, including several large signature festivals (Bull Durham Blues Festival and the World Beer Festival); and for corporate rentals. While the infrastructure needs considerable improvement, the funding needed to repair the DAP will be supplied by the issuance of bonds approved in November. (Exhibit C).

The “DAP”

Starting as El Toro Park in the early nineteen twenties, this 5.4 acre park became home to the Durham Bulls, arguably the most famous minor league (Triple A) team in the nation, in 1926. The park was purchased by John Sprunt Hill for \$20,000 and sold to the City of Durham for \$10 in 1933. This generous sale had two caveats:

- 1) the park shall remain a public facility;
- 2) the name would be changed to the Durham Athletic Park.

Burning to the ground in July 1933, the park is reopened after a remarkable two week construction period. The wooden grandstand is replaced with a grandstand of steel and concrete to seat 1,000. With the installation of temporary bleachers, crowds up to 6,200 are accommodated in the park. On summer nights, baseball is the great equalizer for Durham as young, old, black, white, rich and modest settle in to watch their beloved Bulls.

Through the years, the DAP has been the site of several “firsts” including having the first former Bulls Carolina League player to make it to the majors and hosting the debut of the first African American player in the Carolina League. The Bulls also became the first Class A team ever to pass the 300,000 attendance mark...in the DAP.

Kevin Costner, Susan Sarandon and Tim Robbins star in the movie, “Bull Durham”, most of which is filmed at the DAP and other Durham locations. The release of the movie in 1988 shines the national spotlight on the Durham Bulls and the DAP. The Bulls play their final game, in the park, on September 5, 1994 prior to moving to the new Durham Bulls Athletic Park.

The DAP, under City of Durham management, continues to be the site of local league play, serves as the “home” field for Durham School of the Arts baseball team, and is the site for several large annual special events of significance, including the Bull Durham Blues Festival and the World Beer Festival.

Vision for Downtown Durham

The City of Durham adopted the Downtown Master Plan and is well underway in implementing it. The Plan outlines the vision for Durham’s downtown district. The City is committed to quality Urban Design in the redevelopment of the Durham Athletic Park

and in all of the new construction and renovation projects in the downtown. One initiative outlined in the Master Plan states:

Establish Downtown Durham as a regional destination where commercial, office, residential, cultural, and institutional uses coexist promoting new economic activity and creating an exciting, vibrant, attractive and safe environment.

The complete Master Plan is available on the City's web site at www.ci.durhamnc.gov/departments/eed/plan.asp. The City has also adopted The Durham 2020 Comprehensive Plan, which emphasizes the importance of a strong downtown core in the long range development of the City. The 2020 Plan is available on the City's website at www.ci.durhamnc.gov/departments/planning/2020plan.pdf.

Many of the proposed downtown activities include businesses and private developers working in concert with City government to create a vibrant, active downtown district. Many projects identified in the Master Plan are currently moving forward, including the \$10 million downtown street improvements, redevelopment of the Woolworth's site, renovation of the Liggett warehouses for West Village II and a proposed 2800 seat theater. While still a work in progress, the newly opened, mixed use American Tobacco Campus is the largest historic tobacco warehouse renovation project in North Carolina history. The creation of an urban green space, Durham Central Park, has served as the catalyst for the building of a permanent farmers market, slated for completion in spring of 2006.

Downtown Development

The entire downtown area of Durham is in the midst of a redevelopment boom not seen since the 1920's. Historic renovation projects and new construction of office and housing development is at an all time high in downtown Durham. Redevelopment activities and new construction projects have been occurring in the vicinity since completion of the Downtown Durham Master Plan. The location of Research Triangle Park and Duke University within the City of Durham provides a strong employment base for the community. Downtown Durham is located within one mile of Duke University's East Campus and within 5 miles of the Research Triangle Park. Interstate 85 is less than 2 miles from downtown and access to Interstate 40 via Highway 147 (the Durham Freeway) is six blocks from the site. Raleigh Durham International Airport is located 15 miles from downtown Durham. Raleigh is located 20 miles southeast and only a 30 minute drive from downtown. Greensboro is located 50 miles to the west and only a 55 minute drive from downtown. Substantial development has occurred in the downtown and is proposed for the next few years, including:

Design and development of streets and infrastructure in the downtown, including Main Street, Chapel Hill, Street Parrish Street and Corcoran Street. The total cost of street and sidewalk improvements in the downtown is estimated at over \$10 million. See Exhibit H for the comprehensive street improvement plan.

The creation of a true north-south corridor with the straightening of Blackwell/Corcoran/Foster Streets, connecting the historic Durham Athletic Park to the new Durham Bulls Athletic Park. Also included along this corridor, is a new public plaza, providing a dynamic public space for downtown events and gatherings.

Blue Devil Ventures plans to renovate over 900,000 square feet of space for residential, commercial and office uses. The projected cost is approximately \$148 million.

The American Tobacco campus, located at the south end of the north/south corridor, is a phased project that will include 1 million square feet of space at a cost of over \$200 million. Currently, tenants include Duke University, GLAXO SMITH KLINE, mckinney/, Square 1 Bank, Tyler's Tap Room, Starbuck's, and Symposium Café.

The Durham Performing Arts Center is slated to open in spring of 2008 across from the American Tobacco Campus. The 2,800 seat theater will bring events and cultural activities, including Broadway productions, to the downtown entertainment/theater district.

Historic Parrish St. is undergoing an economic as well as a physical revitalization. A new streetscape combined with a proposed signature building of at least 75,000 sq.ft. to be built on the corner of Corcoran and Parrish Streets are two significant features of a "new era" on Parrish St. The Parrish Street Advocacy Group, composed of business and community leaders, is spearheading the efforts to attract new business and reflect the history of "Black Wall Street".

***While it is referred to as the "Historic Durham Athletic Park", the site has not been placed on the National Historic Register.**

SCOPE OF DEVELOPMENT

The City of Durham owns and operates the Durham Athletic Park as part of the public park system. The DAP is currently used for youth and adult league baseball; special events, including several large signature festivals (Bull Durham Blues Festival and the World Beer Festival); and for corporate rentals. While the infrastructure needs considerable improvement, the funding needed to repair the DAP has been approved in the November 2005 bond referendum.

The City is requesting proposals from developers to:

- enhance and expand the revenue generating economic development potential of the Park;
- position the DAP to serve as a catalyst for additional development in the Durham Central Park area, further implementing the Downtown Master Plan;
- utilize creative private financing tools to support this project while being cognizant of the bond financing provisions;
- partner with the City to maintain current DAP activities

The City will select a developer with plans that incorporate the elements listed above and who exhibits an appreciation of and sensitivity to the rich history of this facility.

Development of the site must conform to all applicable City codes and ordinances, including zoning, Downtown District Overlay Zone Principles and Durham Downtown Design Manual (www.durhamnc/departments/planning/zoning). Also, an Appearance Commission review may be required. The property and surrounding area are currently zoned as Commercial Trade District (CT), allowing for a wide variety of uses (see Exhibit F). In addition, it is expected that the developer will conform to the spirit and intent of the Downtown Durham Master Plan.

City Investments in the DAP:

The City of Durham is committed to furthering these goals by investing over \$4 million in infrastructure improvements to the park. These improvements will include resurfacing the parking lot, replacing the fence and scoreboard, bringing the electrical and plumbing systems, site and grounds and interior and exterior finishes into compliance with various code requirements. Additionally, these funds will cover the conversion of the field to artificial grass and the construction of staging, designed to support sound and lighting for special events (see Exhibit C).

Current Facility Uses:

The Parks and Recreation Department presently manages the usages of the DAP. The City of Durham is committed to retaining the usage of the DAP for the activities described in Exhibit E.

The Proposal Components

1. Operating Plan for the DAP

The proposal should delineate how the development team would operate/manage the facility and what type of business relationship would be established with the City. An operating plan should be developed that shows new tenants and events that will be drawn to the DAP, a ten year operating proforma that shows expected revenue and expenditures, a staffing plan, all operating fees and the proposed business agreement with the City. The operating plan must include the current facility uses. Also, an outline of how and who would provide facility maintenance should be included as well. Please include an outline of a possible operating agreement with the City.

2. Development Plan for the DAP

The proposal should include a variety of options to enhance and/or expand the ability to generate additional revenue in the park by attracting the public. Across the country, many historic and older ballparks are being creatively converted to entertainment centers that are vibrant and serve as a magnet to attract people. The DAP has a rich history, as the former home of the nationally acclaimed Durham Bulls and as the site of the cult baseball movie, “Bull Durham”. How would a public/private partnership bring added value to the City of Durham’s Durham Athletic Park by building on this history? Per Exhibit C, the City intends to make about \$4 million of improvements to the DAP, starting in 2006/2007, funded through the approved issuance of bonds. The City is proposing to invest \$1.3 million in 2007/2008 and \$86,000 in 2009/2010 in more improvements. The City wants to know, in addition to these public improvements, what private investments can and will be made by the developer in the DAP.

The developer should provide, beyond the public investments, a development plan to the City that identifies what additional uses will be involved, where the uses would be located within the DAP footprint, how the uses will be implemented in conformance with all city and state regulations (including historic preservation), how it will be privately financed and the proposed private development schedule. The development plan should integrate all public investments and reflect the goals and objectives identified in the public charrette process, as well as conform to the Downtown Master Plan.

The proposal should clearly indicate what type of development would be possible including, but not limited to, mixed use, office, tourism related, retail activities and additional special events. There are many possibilities, such as restaurants, museums and accommodations for nighttime events. Of course, expanding the scheduling of sports activities would be welcomed. With an expanded slate of activities and varied usages, the proposal should include a plan to facilitate additional parking, if necessary.

The DAP is held in high esteem by all segments of the Durham community as evidenced through public meetings and a day long charrette. The results of the charrette identified desired features of a “new” DAP. These included permanent staging, preservation of historic features, a museum, better sound and lighting, an artificial field for multiple uses and connectivity to surrounding neighborhoods. (Exhibit B). Also, any enhancements

must be consistent with the usages of the DAP as a Parks and Recreation facility with retention of the current name.

3. Development Plan for Ancillary Development in the Surrounding Area of the DAP

The proposal should include strategies for how the developer can help to position and leverage the DAP revitalization to spur additional development in the surrounding area. Coupled with the proposed new Farmers Market in Durham Central Park and other pending developments, the proposal must demonstrate how the development team can help the DAP become an “economic engine” at one end of the downtown north-south corridor. This should include identifying additional projects adjacent to the DAP that the developer will redevelop or develop, in addition to identifying partnerships in the surrounding area that will occur and result in new development. The City encourages mixed use development with retail on the first floor and office or residential above. The developer is encouraged to be as specific as possible about the additional development and will receive a higher score (from the selection committee) if they can show site control (directly or indirectly through a partnership) and financial capability. The ability to move forward with an investment without obstacles is encouraged. A specific budget and timeframe for the additional development is required. The current City of Durham streetscape improvements are creating a viable north/south corridor along Blackwell/Corcoran/Foster Streets. The Durham Bulls Athletic Park and the American Tobacco Campus serve as anchors at the other end of this major downtown corridor. This concept is supported by the Downtown Master Plan. Ideas and plans about how to connect and enhance this corridor are encouraged.

Also, the proposal should address what types of financing tools might speed the process of spurring ancillary economic development in the surrounding area. This can include a Tax Increment Financing District or other creative approaches to redevelopment. The key to the proposal, however, will be identifying the amount of private sector resources going into the project and the surrounding area. The proposal should identify the development team’s financing methods and delineate how their financing would mesh with utilization of the City bonds.

SUBMISSION REQUIREMENTS

Submission Information

Developers must submit a complete proposal and any required supporting documentation. Ten (10) copies of the proposal should be submitted. Proposals on compact disks are encouraged. Fax and e-mail submissions will not be accepted.

Developer Identification

Provide the name, address and telephone number of the principal partners in the development entity. The development proposal should identify the roles and responsibilities of the developer, architect, general contractor, property manager and any other equity partners other than the principal partners (if identified). Please include experience of all company principals who will be responsible for the project and a designated lead project coordinator.

Developer Experience

Provide the experience of the principal partners and members of the development team in designing, developing, financing, leasing and managing similar properties. Include information of the location, size, cost, tenants, and vacancy rate of these projects. Provide information on ability to attract tenants and secure financing. Please clearly identify the project manager and his/her experience. Photographs may be submitted.

Operating Plan for the DAP

See page seven (7).

Development Plan for the DAP

See page seven (7).

Development Plan for Ancillary Development in the Surrounding Area of the DAP

See page eight (8).

Financial Plan

Provide estimates of the development and construction costs of the project in detail. Provide spreadsheet proformas elaborating the financial projections including detail on rents, expenses and vacancy rates of the development for a minimum of 10 years. The proformas should be sufficiently detailed to allow the City of Durham to evaluate the projected financial returns to the developer and the City of Durham. Include a development budget and a source of funds for construction and permanent financing.

Development and Operating Schedules

Provide a proposed development schedule. The schedule must include at a minimum:

- Anchor tenants leases signed
- Completion of architectural drawings
- Financing commitments secured
- Construction start date
- Construction completion

Developer Financial Information

Provide Financial Statements of the developer and related companies for the past three years. List the owners of the development company, indicating its legal status, such as a corporation, general or limited partnership, or joint venture. At least four business references should be listed who have conducted business transactions with the developer and have knowledge of its business reputation and experience. At least one of the references should be a lending institution that has previously provided financing for projects completed by the developer. Please provide authorization for the City of Durham to request a credit report on the development entity and any related companies on the Credit Release form found in Exhibit I.

Equal Business Opportunity Program

It is the policy of the City to provide equal opportunities for City contracting for small firms owned by socially and economically disadvantaged persons doing business in the City's Contracting Marketplace. It is further the policy of the City to prohibit discrimination against any firm in pursuit of these opportunities, to conduct its contracting activities so as to prevent such discrimination, to correct present effects of past discrimination and to resolve complaints of discrimination. This policy applies to all professional services categories.

While there are no SDBE participation goals for this project, in accordance with the Ordinance, all consultants are required to provide information requested in the "SDBE Professional Services Forms." Submittals that do not contain the appropriate, completed "Professional Services Forms" will be deemed non-responsive and ineligible for consideration. The "Declaration of Performance," "Participation Documentation," "Managerial Profile," "Equal Opportunity Statement" and the "Employee Breakdown" documents are required. In lieu of "Employee Breakdown," consultants may submit a copy of their current EEO-1 form (corporate basis). Other forms in the package may be used as needed.

The Department of Equal Opportunity/Equity Assurance is responsible for the Equal Business Opportunity Program. All questions about "SDBE Professional Services Forms" should be referred to Deborah Giles or other department staff at (919) 560- 4180.

Developers must submit an Equal Business Opportunity Plan as identified in Exhibit H along with its development proposal.

Workforce Development Plan

The development team should submit a workforce development plan that identifies how Durham residents will be employed by both the construction and operating activities of the project.

SELECTION PROCEDURE AND CRITERIA

Each proposal will be judged based on the selection criteria identified herein. The evaluation process will begin immediately after the deadline for submittal. A City review Committee will be formed. The Review committee will make a selection recommendation to the City Manager. The City of Durham reserves the right to request additional information from the various development entities and also reserves the right to reject all proposals, if they are judged not to be satisfactory. As part of the evaluation process, some of the development groups may be asked to make presentations before the Review Committee or City Council.

The selection criteria to evaluate the ability of the development entity to develop the property and secure tenants and operate the facility include the following:

Strength of Operating Plan – 15%

Measures include new tenants identified and increased usage of the facility, operating efficiencies and strength of business plan with the City of Durham.

Strength of Development Plan for the DAP – 15%

Measures include added venues and activities, private investment, conformance with codes and regulations, coordination and enhancement of public investment, historic fit and theme, job creation and reflection of input from public process.

Strength of Development Plan for Ancillary Development – 15%

Measures include type and scale of development, private investment, job creation, and impact on the neighborhood.

Strength of Development Team Experience – 15%

Measures include the success of previous projects, ability to deliver, references, and staff qualifications.

Strength of Financial Capability – 15%

Measures include financial stability of the development team and the ability to raise financial capital for projects.

Strength of Financial Plan/Projections - 15%

Measures include the feasibility of the operating and development plan for the project, increased revenues to the City of Durham and the accuracy of the financial plan.

Strength of SDBE and Workforce Plan – 10%

Measures include the involvement of Durham SDBE certified businesses in the project and the involvement of Durham residents working on the project.

TELEPHONE CONTACTS

RFP Questions	Alice Sharpe City of Durham Office of Economic and Employment Development (919) 560-4965, ext.227 asharpe@ci.durham.nc.us
Utilities	Nathan McHenry City of Durham Public Works Department (919) 560-4326, ext.252 nhenry@ci.durham.nc.us
Zoning	Mohammed Rasheduzzaman Durham City/County Planning Department (919) 560-4137 muzzaman@ci.durham.nc.us
Parks and Recreation	Darrell R. Crittendon City of Durham Parks & Recreation (919)560-4355
Historic District	Steve Cruse Durham City-County Planning Department (919) 560-4137, ext. 236 scruse@ci.durham.nc.us
Street Improvements	Ed Venable City of Durham Public Works Department Engineering (919) 560-4326, ext. 233 evenable@ci.durham.nc.us
Downtown Streetscape Guidelines	Sara Young Durham City-County Planning Department (919) 560-4137, ext. 256 sayoung@ci.durham.nc.us
Downtown Design Manual	Sara Young Durham City-County Planning Department (919) 560-4137, ext. 256 sayoung@ci.durham.nc.us
Economic Development Trends	Alan DeLisle

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